

food products, meat or meat products, or poultry or poultry products to indicate that the foods or food products, meat or meat products, or poultry or poultry products are Halal or have been prepared in accordance with Islamic religious requirements;

(5) knowingly sell, dispose of, or possess for the purpose of resale to any person as kosher, any food or food products not having affixed thereto the original slaughterhouse plumba or any other mark, stamp, tag, brand, label, or other means of identification employed to indicate that such food or food products are kosher or have been prepared in accordance with the orthodox Hebrew religious requirements as prescribed by a rabbinic authority, with the name and institutional affiliation and denominational affiliation, if any, of the rabbinic authority identified, or any food or food products to which such plumba, mark, stamp, tag, brand, label, or other means of identification has or have been fraudulently affixed; or

(6) knowingly sell, dispose of, or possess for the purpose of resale to any person as Halal, any food or food products, meat or meat products, or poultry or poultry products not having affixed the original Halal sign, mark, stamp, tag, brand, label, or other means of identification employed to indicate that the food or food products, meat or meat products, or poultry or poultry products are Halal or have been prepared in accordance with Islamic religious requirements or any food or food products, meat or meat products, or poultry or poultry products to which the original Halal mark, stamp, tag, brand, label, or other means of identification has been fraudulently affixed.

Presented to the governor May 15, 2004

Signed by the governor May 19, 2004, 1:30 p.m.

CHAPTER 233—S.F.No. 2181

An act relating to the State Lottery; amending provisions relating to the director; providing for review and approval of lottery budget; creating a task force and requiring a report; amending Minnesota Statutes 2002, sections 15A.081, subdivision 8; 349A.02, subdivision 1; 349A.10, subdivision 6; 349A.15; Laws 2003, First Special Session chapter 1, article 1, section 23; repealing Minnesota Statutes 2002, section 349A.02, subdivision 2.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2002, section 15A.081, subdivision 8, is amended to read:

Subd. 8. **EXPENSE ALLOWANCE.** Notwithstanding any law to the contrary, positions listed in section 15A.0815, subdivisions 2 and 3, constitutional officers, and the commissioner of Iron Range resources and rehabilitation, and the director of the State Lottery are authorized an annual expense allowance not to exceed \$1,500 for necessary expenses in the normal performance of their duties for which no other reimbursement is provided. The expenditures under this subdivision are subject to any

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laws and rules relating to budgeting, allotment and encumbrance, preaudit and postaudit. The commissioner of finance may adopt rules to assure the proper expenditure of these funds and to provide for reimbursement.

Sec. 2. Minnesota Statutes 2002, section 349A.02, subdivision 1, is amended to read:

Subdivision 1. **DIRECTOR.** A State Lottery is established under the supervision and control of a director. The director of the State Lottery shall be appointed by the governor with the advice and consent of the senate. The director must be qualified by experience and training in the operation of a lottery to supervise the lottery. The director serves in the unclassified service at the pleasure of the governor. The annual salary rate authorized for the director is equal to 95 percent of the salary rate prescribed for the governor.

Sec. 3. Minnesota Statutes 2002, section 349A.10, subdivision 6, is amended to read:

Subd. 6. **BUDGET APPEARANCE; PLANS.** The director shall prepare and submit a biennial budget plan to the commissioner of finance. The governor shall recommend the maximum amount available for the lottery in the budget the governor submits to the legislature under section 16A.11. The maximum amount available to the lottery for operating expenses and capital expenditures shall be determined by law. Operating expenses shall not include expenses that are a direct function of lottery sales, which include the cost of lottery prizes, amounts paid to lottery retailers as sales commissions or other compensation, amounts paid to produce and deliver scratch lottery games, and amounts paid to an outside vendor to operate and maintain an on-line gaming system. In addition, the director shall appear at least once each fiscal year before the senate and house of representatives committees having jurisdiction over gambling policy to present and explain the lottery's budget plans for future games and the related advertising and promotions and spending plans for the next fiscal year.

Sec. 4. Minnesota Statutes 2002, section 349A.15, is amended to read:

349A.15 **REPORT.**

The director shall file an annual report with the governor and legislature which must include a complete statement of lottery revenues, administrative and operating costs, capital expenditures, net proceeds transferred, and other financial transactions for the period the report covers.

Sec. 5. **LOTTERY ORGANIZATION TASK FORCE.**

Subdivision 1. **CREATION; MEMBERSHIP.** A Lottery Organization Task Force is created to study and make recommendations regarding the future organization and profitability of the State Lottery. The task force is composed of nine members, to be appointed as follows:

- (1) the commissioner of natural resources, or the commissioner's designee;
- (2) the commissioner of finance, or the commissioner's designee;

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(3) two members of the house of representatives, including one member of the minority caucus, both to be appointed by the speaker;

(4) two members of the senate, including one member of the minority caucus, both to be appointed by the senate committee on committees;

(5) the director of the State Lottery; and

(6) two members to be appointed by the governor.

The governor shall appoint one member of the task force as the chair.

Subd. 2. CHARGE; REPORT. (a) The task force shall examine the State Lottery and consider whether the State Lottery should:

(1) become part of another existing state agency;

(2) be accountable to an oversight board or commission to be created for that purpose;

(3) continue under its current organizational structure; or

(4) operate under other governance structures that provide appropriate oversight and accountability.

(b) The task force shall also examine the feasibility and desirability of establishing measurable performance goals for lottery proceeds and operations.

(c) The task force is encouraged to consult with the commissioner of public safety, the commissioner of revenue, and the chair of the Citizens' Advisory Committee for the Legislative Commission on Minnesota Resources. The task force shall submit a report with its findings and recommendations to the legislature and the governor by February 1, 2005.

Subd. 3. SUNSET. The task force expires upon the adjournment of the 2005 regular legislative session.

Sec. 6. Laws 2003, First Special Session chapter 1, article 1, section 23, is amended to read:

Sec. 23. STATE LOTTERY.

Notwithstanding Minnesota Statutes, section 349A.10, the operating budget must not exceed ~~\$43,538,000~~ \$27,419,000 in fiscal year 2004 and ~~\$43,538,000~~ \$27,419,000 in fiscal year 2005 and thereafter. The savings must be transferred 60 percent to the general fund in the state treasury and 40 percent to the Minnesota environment and natural resources trust fund in the state treasury.

New language is indicated by underline, deletions by ~~strikeout~~.

Sec. 7. REPEALER.

Minnesota Statutes 2002, section 349A.02, subdivision 2, is repealed.

Sec. 8. EFFECTIVE DATE.

This act is effective the day following final enactment. Sections 2 and 7 apply to the appointment of a director of the State Lottery made on or after January 1, 2004.

Presented to the governor May 15, 2004

Signed by the governor May 19, 2004, 1:40 p.m.

CHAPTER 234—H.F.No. 2419

An act relating to real property; providing for certain purchase money mortgages; providing for certain mortgage foreclosures; amending Minnesota Statutes 2002, sections 507.02; 507.03; 580.04; 580.24; 580.25.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MINNESOTA:

Section 1. Minnesota Statutes 2002, section 507.02, is amended to read:

507.02 CONVEYANCES BY SPOUSES; POWERS OF ATTORNEY.

If the owner is married, no conveyance of the homestead, except a mortgage for purchase money unpaid thereon under section 507.03, a conveyance between spouses pursuant to section 500.19, subdivision 4, or a severance of a joint tenancy pursuant to section 500.19, subdivision 5, shall be valid without the signatures of both spouses. A spouse's signature may be made by the spouse's duly appointed attorney-in-fact.

A husband and wife, by their joint deed, may convey the real estate of either. A spouse, by separate deed, may convey any real estate owned by that spouse, except the homestead, subject to the rights of the other spouse therein; and either spouse may, by separate conveyance, relinquish all rights in the real estate so conveyed by the other spouse. Subject to the foregoing provisions, either spouse may separately appoint an attorney-in-fact to sell or convey any real estate owned by that spouse, or join in any conveyance made by or for the other spouse. Use of a power of attorney is subject to section 518.58, subdivision 1a. A minor spouse has legal capacity to join in a conveyance of real estate owned by the other spouse, so long as the minor spouse is not incapacitated because of some reason other than that spouse's minor age.

Sec. 2. Minnesota Statutes 2002, section 507.03, is amended to read:

507.03 PURCHASE-MONEY MORTGAGE; NONJOINER OF SPOUSE.

When a married individual purchases real property during marriage and mortgages the real property to secure the payment of the purchase price or any portion of it, the other spouse shall not be entitled to any inchoate, contingent, or marital property right or interest in the real property as against the mortgagee or those claiming under

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